

8/015/0097
TASK 3066
cc: Paul

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7/8/2009

Dear Mr. Baker;

This is a reply to the Deficient Notice of Intention dated 4-2-2009 that I received from you concerning an amended NOI for the Carnotite West Uranium mine S0150097. When I first submitted the original NOI for my proposed Uranium mine in December of 2007 UDOGM processed and then approved both the NOI and the Request for Variance on the top soil issue and returned them to me in six weeks from the date of submittal (see attachment #1). There were no notices of deficiencies from UDOGM nor were there repeated request for single complete documents and the NOI was processed efficiently and professionally.

My problems began when on 4-19-2008 I filed an amended NOI with UDOGM. This was necessitated by the fact that I had sold the 8 Ball #5 mining claim and with it the #9 mine incline. The amended NOI was basically the same mining plan (#8 incline substituted for the #9 incline) on the same group of mining claims (8 Ball #1 through 8 Ball #4) and the same Request for Variance on the top soil issue. This was sent to UDOGM by certified return receipt mail in the form of one single complete document. Since then UDOGM has sat on this amended NOI, for over a year without approval. You first began requesting additional single complete documents less than a month after receiving the amended NOI and I have subsequently sent to your office two additional single complete NOI documents. I have bent over backwards answering all of the many notices of deficiencies that I have received from UDOGM. As you very well know UDOGM does not require that NOI's be submitted on forms or in a certain format. There are not even any detailed guidelines that designate all of the information and data needed to complete an NOI. This leaves the form in which the NOI is submitted to the discretion of the person preparing that NOI. For UDOGM to continually complain that a document has not been submitted in correct form or in a form that cannot be entered into your system is disingenuous at best. After a year of sending to UDOGM complete and detailed replies to every Notice of Deficiency that I have received only to have UDOGM continue to deny this NOI is very frustrating..

Your letter of 4-2-2009 once again asks for a single complete document. My question to you is what has happened to the three single complete documents that I have already provided to UDOGM? What good does it do for me to continue supply you with single complete document, following single complete document, following single complete document? All of the information that you have requested in your latest letter has been supplied by me to UDOGM repeatedly during the past year of correspondence in detailed and complete replies to your many Notices of Deficiencies. If I have to prepare another

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DIV. OF OIL, GAS & MINING

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complete amended NOI. It will not be mailed, I will deliver it to your office in person so that it can be received page by page and be signed for by someone in your office.

Item 4 of your letter gives reasons for UDOGM not approving my Request for Variance due to the lack of any topsoil on the mine site to be salvaged and saved for the reclamation of the mine site after mining operations cease. Paul, you state that based on the onsite meeting that it appears there are undisturbed areas from which topsoil could be saved for reclamation. I cannot believe that you could arrive at this completely incorrect and irrational conclusion having been to the site and seeing that every square foot of the mine site is covered by 4 to 15 feet of waste rock from past mining operations. You did not mention to me at that meeting that you had seen undisturbed areas of topsoil. If you had mentioned it, I would have requested that you mark such areas out and we would have photographed and documented the alleged areas. The fact is that just as I have always maintained there is absolutely no top soil on the site in quantities sufficient for reclamation and as stated in the Request for Variance native vegetation grows just as well on the mine waste rock dumps as anywhere in the natural geological formations in the Buckhorn wash area. I have sent to you photographs of the entire mine site establishing without question that my position on this is the correct one. As you took no photographs during the onsite meeting, you should look again at those photographs that I have supplied to UDOGM to refresh your memory. There is not enough topsoil on the mine site to reclaim a potted plant. I demand another on site meeting, this time with a qualified UDOGM soil specialist. At which time the alleged areas of top soil can be identified, measured and delineated by a competent person. Please schedule this on site meeting at the earliest possible date.

Ted Thompson

Ted Thompson
Carnotite LLC
775 E. Claybourne Ave
Salt Lake City, UT 84106
801-486-8346

ATTACHMENTS:

1. Copy of UDOGM letter dated 2-21-2008 notifying Carnotite LLC that our NOI had been found complete.
2. Land Ownership statement.
3. BLM project number.
4. Reclamation statement.
5. Notification of oil and fuel spills.
6. Dust control plan.
7. Division of Water Quality storm water management plan.



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Attachment #1

February 21, 2008

Ted & Laurette Thompson
Carnotite, LLC
775 East Claybourne Ave.
Salt Lake City, Utah 84106

Subject: Complete Notice of Intention, Carnotite LLC, Carnotite West Mine, S/015/0097, Emery County, Utah

Dear Mr. & Mrs. Thompson:

The Division finds your Notice of Intention to Conduct Small Mining for the Carnotite West Mine complete, however prior to conducting mining activities the Division must approve the reclamation surety. The surety amount is calculated based on average costs for reclamation at large mines, and applied to the five acres of disturbance proposed for your small mine operation. The Bureau of Land Management (BLM) must give concurrence on the surety amount before it can be posted by your company. In order for the BLM to review surety calculations, they must review your mine plan. The next step for you to take is to submit a Notice to the BLM in the Price Field Office so they can begin the review process for your proposed mining operation.

Thank you for your cooperation to continue processing this permitting action. In reply, please refer to file number S/015/0097.

Sincerely,

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:jcm:pb

Task ID# 2228

cc: Chris Conrad, Price BLM Field Office

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ATTACHMENT #2 - LAND OWNERSHIP:

The Carnotite West Uranium mine site is located in Emery County, Utah Sec27 and Sec 28 T21S R14E. The land the mine site is located on is owned collectively by 300 million U.S. Citizens. The land owned by these citizens is administered by the Bureau of Land Management (BLM) Price Field Office. The address of the BLM Price Area Field Office is 125S 600W, Price, Utah 84501. The telephone number of the BLM Price Area Field Office is 435-636-3460.

ATTACHMENT #3 – BLM PROJECT NUMBER:

The BLM Project Number for the Carnotite West Uranium mine is UTU87377.

ATTACHMENT #4 – RECLAMATION STATEMENT:

I TED THOMPSON DO hereby certify that all reclamation of the Carnotite West Uranium mine located in Emery County, Utah will be conducted as required by rule R647. Said reclamation to be completed after all mining operations on the Carnotite West Uranium mine ceases.

A handwritten signature in cursive script, appearing to read "Ted Thompson".

Ted Thompson, Owner
Carnotite LLC,
Carnotite West Uranium mine

ATTACHMENT #5 – NOTIFICATION OF OIL OR FUEL SPLILLS:

Carnotite LLC contacted The Division of Solid and Hazardous Waste by mail concerning possible fuel spills they informed us that they did not administer off highway fuel spills and referred us to the Southern Utah District Health Department. The Southern Utah District Health Department was notified by mail of our mining plans.

ATTACHMENT #6 – DUST CONTROL:

The mining plan calls for no specific dust control and it is certain that opacity will never reach the levels of 20% opacity, for the following reasons. First of all this is a very small mining operations starting out with three units of mining equipment. A small skid steer loader that will be underground most of the time. A 6 ton mine truck which will be used underground and to haul mine products to the surface and a small tack loader that will only be used on the surface to level the dumps and load ore trucks.

Underground mining operations are water intensive. Before mining operations begin in a mine heading the ribs, back and face must by MSHA regulations be washed down. Rock drilling and rock bolting use constant supplies of water. Ore and waste are brought to the surface in a prewetted condition. Because this is a small mine with a total surface area of 2 acres the distance that the mine truck travels on the surface is never more than 200 feet. At full production 10 to 12 loads during an 8 hr day will be brought to the surface, or slightly more than one load per hour. The amount of dust produced by our mining operations will be at most minimal.

ATTACHMENT #7 – STORM WATER MANAGEMENT:

A storm water management plan will be submitted at which time I will send you a copy.